

DAVID LOEBSACK  
2ND DISTRICT, IOWA

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ARMED SERVICES  
SUBCOMMITTEES:  
MILITARY PERSONNEL  
READINESS

EDUCATION AND THE WORKFORCE

SUBCOMMITTEES:  
HEALTH, EMPLOYMENT, LABOR,  
AND PENSIONS  
HIGHER EDUCATION AND  
WORKFORCE TRAINING

**Congress of the United States**  
**House of Representatives**  
**Washington, DC 20515-1502**

January 17, 2012

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The Honorable Kathleen Sebelius  
Secretary  
U.S. Department of Health and Human Services  
200 Independence Avenue, SW  
Washington, DC 20201

Dear Secretary Sebelius,

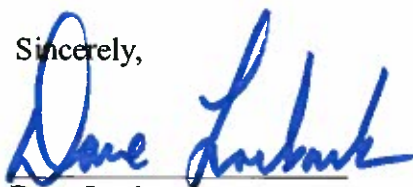
We write today to request that you meet with the administrators of Keokuk Area Hospital (KAH), located in Keokuk, Iowa in Iowa's Second Congressional District. If your schedule will not permit a meeting, we hope that one can be arranged between KAH administrators and a senior member or members of your staff to discuss the hospital's financial situation.

As you may know from previous correspondence, 75 percent of KAH's admissions are Medicare, Medicaid, or uninsured patients. The hospital's administrators estimate that they only recoup 76 percent of the cost of caring for these patients. As a result, the hospital estimates that it had over \$6,000,000 in uncompensated care in fiscal year 2010, resulting in a loss of \$1,000,000 for the same year. According to KAH, they frequently have less than 10 days operating cash on hand, with no endowments, local tax base, or other reserves to rely on should that cash flow be disrupted. As a designated necessary provider, the hospital is seeking a critical access hospital designation in order to remain open and continue to provide services to the Keokuk area.

Along with KAH administrators and local residents, we are very concerned about the repercussions should Keokuk Area Hospital shut its doors. The hospital is one of the largest employers in the area and its closure would negatively impact the community and surrounding area, both directly and indirectly. As a result, KAH administrators are hoping to meet with you or your senior staff to discuss the possibility of obtaining a critical access waiver as well as any other options KAH may have for improving their financial situation.

Thank you for your consideration and for any assistance you can provide to Keokuk Area Hospital.

Sincerely,



Dave Loebsack  
Member of Congress



Tom Harkin  
United States Senator



Charles Grassley  
United States Senator